



## **Filing Receipt**

**Filing Date - 2023-04-18 10:34:41 AM**

**Control Number - 54233**

**Item Number - 38**

# *Public Utility Commission of Texas*

---

## **Memorandum**

TO: Interested Persons

FROM: Mariah Benson, Market Analysis Division

DATE: April 18, 2023

RE: Project No. 54233, *Technical Requirements and Interconnection Processes for Distributed Energy Resources (DERs)* – DER Interconnection Workshop

---

Commission Staff will host a distributed energy resource (DER) Interconnection Workshop on May 4, 2023. The workshop will start at 1:00 P.M. Central Time (CT).

The May 4<sup>th</sup> workshop will discuss Commission Staff's proposals for implementing updated DER interconnection standards and DER technical standards. For this workshop, the term "DER" means any generation unit operating in parallel with a distribution system and connected at distribution voltage in the state of Texas.

Commission Staff tentatively recommends that all DERs in the state of Texas should be subject to uniform and defined interconnection standards and technical standards to enable maximum DER development and to provide necessary protections to maintain reliability.

Commission Staff seeks feedback from market participants on alternative recommendations to the following proposals. When a market participant seeks to provide an alternative recommendation, then the market participant must provide the reasoning for (1) why Commission Staff's proposal is insufficient and (2) why the market participant's alternative recommendation is more appropriate. Below are the two proposals Commission Staff is seeking feedback on.

### Proposals for Discussion:

1. Commission Staff proposes the interconnection standards be split into two rules.
  - A. Interconnection Standard (A): A new rule should be created for the interconnection standards for DERs with a nameplate capacity greater than 50 kilowatts (kW). The interconnection standards should be consistent with those proposed in the discussion draft published by the Commission for 16 Texas Administrative Code (TAC) § 25.211 in Project 54233.
  - B. Interconnection Standard (B): Existing 16 TAC § 25.211 should be updated and apply to DERs with a nameplate capacity of 50 kW or less. Commission Staff may delay implementing these updates until the other rulemakings contemplated in this document are completed.

2. Commission Staff proposes the technical standards be split into two standards which may potentially be codified in a single rule or two rules.
  - A. Technical Standard (A): A new standard should apply to DERs with a nameplate capacity of one megawatt (MW) or greater. The new rule should broadly reference technical standards that DERs must comply with and should specifically require the ‘applicable authority in the power region’ to develop and publicly disseminate the specific standards.
  - B. Technical Standard (B): Proposed 16 TAC § 25.212 should apply to DERs with a nameplate capacity of less than one MW. The specific requirements will be consistent with those proposed in the discussion draft published by the Commission for 16 TAC § 25.212 in Project 54233. The manner in which the specific requirements are presented in proposed 16 TAC § 25.212 would continue to exist as part of the rule and not be updated to be references to specific documents where the standards otherwise exist.

#### Topics Not for Discussion:

1. The statewide (inside and outside of the Electric Reliability Council of Texas (ERCOT), and competitive and non-competitive areas of ERCOT) applicability of DER interconnection and technical standards.
2. Cost recovery issues related to DERs.

#### Additional Workshop Topics:

Interested persons are invited to file recommendations of additional topics that would benefit from discussion in a workshop format by **April 27, 2023**. Commission Staff will file an updated agenda for the May 4<sup>th</sup> workshop that may include one or more of these additional topics. Additional topics that are not included in the May 4<sup>th</sup> workshop may be considered for future workshops. Suggestions for additional workshops will also be discussed under agenda item #3 below.

#### Agenda:

1. Interconnection Standards
2. Technical Standards
3. Additional Workshops

All persons who wish to provide comments should first identify their name and the market participant they represent.